The Real Worth of Your Compensation

O-3 w/ 6 years service – Annual Pay

- ~~Military Gross Pay $69,737.88~~
- For same after-tax Pay $77,349.85
- Medical/Dental/Vision $ 3,682.58
- Commissary Savings $ 2,822.55
- Retirement $57,865.00
  - Retire as O-5 at 20 years service
  - Draw retirement for 40 yrs (until age 80)
  - Must invest $57,865 for 20 years and earn 8%

Total Compensation $141,719

Calculating Retirement

O-5 with 20 years service living to age 82
High-3 Retirement Plan

- **Total payout $4,991,627**
- **Required Savings $2,648,034**
  - **Amount invested at retirement to fund payout**
- **Annual Investment $57,865**
  - **Amount invested per year for 20 years to make required savings**

- **Assumes all investments earn 8%**

The Real Worth of Your Compensation

E-5 w/ 5 years service – Annual Pay

- **Military Gross Pay $39,996.72**
- **For same after-tax Pay $44,243.12**
- **Medical/Dental/Vision $ 3,682.58**
- **Commissary Savings $ 2,822.55**
- **Retirement $26,153.00**
  - **Retire as E-6 at 20 years service**
  - **Draw retirement for 40 yrs (until age 80)**
  - **Must invest $26,153 for 20 years and earn 8%**

Total Compensation $76,901

Calculating Retirement

E-6 with 20 years service living to age 80
High-3 Retirement Plan

- **Total payout $2,255,986**
- **Required Savings $1,196,790**
  - **Amount invested at retirement to fund payout**
- **Annual Investment $26,153**
  - **Amount invested per year for 20 years to make required savings**

- **Assumes all investments earn 8%**

Retirement Plans

Service Entry Date

- **Before 08 SEP 80 – Final Pay**
  - **50% of base pay of final month**
- **Before 01 AUG 86 – High-3**
  - **50% of average base pay of highest 36 months**
- **After 01 AUG 86 – Choice of High-3 or REDUX**
  - **REDUX**
    - **$30,000 bonus at 15-year point**
    - **40% of average highest 36 months**
    - **Adjustment at age 62 to match High-3**

All plans increment up to 75% at 30 years

Other Benefits

- **30 Days Paid Vacation**
  - **Most civilian jobs offer 10 days**
- **10 Paid Holidays a Year**
  - **Most civilian jobs offer only 6**

Other Benefits

- **Convalescent Leave**
  - **Soldiers continue to receive your compensation if unable to work**
  - **Civilians cease to be paid when sick and vacation time gone**
  - **Insurance can be purchased but it is very expensive and pays only a percentage of your income.**

Other Benefits

- **Educational Opportunities**
  - **Army has generous tuition assistance program**
  - **Numerous other programs leading to college degrees.**
  - **Army has arrangements with numerous colleges to grant school credit for your Army experience.**
  - **Many civilian jobs offer nothing in this area.**

Other Benefits - MWR

- **The range of recreational services and assistance provided to you by the Army is unmatched by any civilian job. They include:**
  - **Base Clubs**
  - **MWR Events and Discounted Tickets**
  - **Fitness Center, Pool, Tennis, Golf**
  - **Discounted Equipment Rentals**
  - **Flying, Sail, and Scuba Clubs**
  - **Hobby Shops**
  - **Armed Forces Recreation Centers**

Other Benefits

- **Other benefits include:**
  - **Free Legal Services**
  - **Space "A" Travel**
  - **Discounted Child Care**
  - **Spouse Employment Assistance**
  - **Thrift Savings Plan**
- **Retiree Medical Care (Tricare for Life)**
  - **Less than half of civilian employers offer retiree medical insurance**